



GARY R. HERBERT  
Governor

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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

May 16, 2016

Erez Goldgraber  
Bromide Mining, LLC.  
80 Southwest 8<sup>th</sup> Street, Suite 2000  
Miami, Florida 33130

Subject: Reclamation Surety Required, Bromide Mining LLC, Bromide Basin Mine, S/017/0031, Garfield County, Utah

Dear Mr. Goldgraber:

The amendment to the Notice of Intention to Commence Small Mining Operations (NOI) for the Bromide Basin mine, received by the Division of Oil, Gas and Mining on April 7, 2016, is complete **with the exception of the reclamation bonding requirement**. The required reclamation surety is \$123,900.00 for a three-year escalation or \$129,500.00 for a five-year escalation. The current reclamation surety is for \$80,300.00. Therefore the surety must be increased by \$43,600.00 for a three-year escalation or \$49,200.00 for a five-year escalation. This was determined based on information in the following table.

<i>Small Mine Operation &gt;5 Acres Bond Calculation Worksheet</i>			
<i>(Operation Name) S/017/0031</i>			
<i>3-year escalation (2019)</i>			
<u>Item</u>	<u>Qty</u>	<u>Unit Cost</u>	<u>Total Cost</u>
First 6 Acres of Disturbance	1	\$36,200.00	\$36,200.00
Add'l Acres Disturbance	4	\$5,600.00	\$22,400.00
Portal Closure	3	\$2,000.00	\$6,000.00
General Mob/demob >150 miles	1	\$9,100.00	\$5,400.00
Buildings		\$53,900.00	\$53,900.00
<b>TOTAL</b>	<b>10 Acres</b>		<b>\$123,900.00</b>

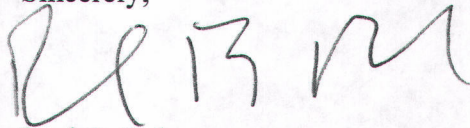
<i>5-year escalation (2021)</i>			
<u>Item</u>	<u>Qty</u>	<u>Unit Cost</u>	<u>Total Cost</u>
First 6 Acres of Disturbance	1	\$36,900.00	\$36,900.00
Add'l Acres Disturbance	4	\$5,700.00	\$22,800.00
Portal Closure	3	\$2,000.00	\$6,000.00
General Mob/demob >150 miles	1	\$9,100.00	\$9,100.00
Buildings		\$54,700.00	\$54,700.00
<b>TOTAL</b>	<b>10 Acres</b>		<b>\$129,500.00</b>

Please submit the reclamation surety by June 22, 2016. No new mining related disturbance may be created until the surety is received and approved and you have received written acceptance from this office as well as other applicable agencies.

The reclamation surety can be submitted in one of several forms, including, an irrevocable letter of credit, a certificate of deposit, cash or a surety bond. Your current surety is in the form of cash.

Please contact Wayne Western at 801-538-5263 or me at 801-538-5261 if you have questions regarding this letter. In reply please refer to file number S/017/0031.

Sincerely,



Paul B. Baker  
Minerals Program Manager

PBB:whw:pb

cc: John Reay, Hanksville BLM (jreay@blm.gov)

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